

**Before the State of South Carolina
Department of Insurance**

In the matter of:

American Reliable Insurance Co.
8655 E. Via De Ventura
Scottsdale, AZ 85258

SCDOI File Number: 126421

**Consent Order Imposing Administrative
Penalty As Precondition to Remain
Licensed**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and above named respondent, a licensed non-resident South Carolina insurance producer.

Upon review of this matter, I hereby find as fact, that American Reliable Insurance Company, while licensed to do business as a non-resident insurance producer within the State of South Carolina, did fail to timely pay a Bond Forfeiture/judgment to Horry County's Clerk of Court, corresponding to the case of State of South Carolina v. Bradney Manassee. The Company acknowledges this allegation and contends this failure resulted from inadvertence and oversight and not from any intent to avoid the requirements of the Law. Nevertheless, this type of action can ultimately lead to the revocation of their license to transact the business of insurance as a non-resident producer in South Carolina, following a public hearing at the Administrative Law Court, pursuant to S.C. Code Ann. & 38-43-130.

Prior to the initiation of any administrative proceedings by the Department against it, American Reliable Insurance Company and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that, in lieu of the Department seeking to revoke the Company's licensing privileges, it would immediately refund the monies owed to the Court, waive its right to a public hearing and pay through the Department an administrative penalty in the amount of \$1,000.00 dollars.

After a thorough review of the record, and pursuant to my findings of fact, I hereby conclude as a matter of law, that American Reliable Insurance Company had violated S.C. Code Ann. §38-43-130(C)(4)(Supp.2004), by..."improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business." And, more specifically, Code Section 38-53-150 (A)(9), which clearly addresses the "failure to pay any judgment or decree rendered on any forfeited undertaking in any court or competent jurisdiction." As a result, I can now take administrative disciplinary action against their non-resident insurance producer's license. However, in view of their previously clean record, and their willingness to expeditiously resolve this matter, by immediately proceeding to refund the monies in question, I have decided to grant them the benefit of the doubt, concluding that there was no malice, criminal intent, nor willful conduct involved. Therefore, under the discretionary authority provided to me by the General Assembly within S.C. Code Ann. § 38-2-10 (2)(Supp. 2004), and after carefully considering the recommendation of the parties, I hereby impose

against American Reliable Insurance Company an administrative penalty in the amount of \$1,000.00 dollars, to be paid within ten days of receipt of this consent order. If the whole penalty amount is not paid timely, their licensing privileges will be immediately revoked without any further disciplinary proceedings.

This administrative penalty has been reached by the parties as a result of negotiation and compromise, and it is made in consideration of the Company's assurances that in the future it will exercise more caution and fully comply with South Carolina's Insurance Laws.

This penalty includes all expenses related to the investigation of this matter, as provided in Section 38- 13-70 of the South Carolina Code of Administrative Laws. The parties expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By the signature of their representative upon this consent order, American Reliable Insurance Company acknowledges this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004).

It is, therefore, ordered that American Reliable Insurance Company shall, within ten days from the date of receipt of this consent order, pay through the Department of Insurance an administrative penalty in the amount of \$1,000.00 dollars.

It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in the Company's licensing file.

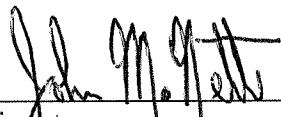
This order becomes effective as of the date of my signature below.


Eleanor Kitzman, Director


November 1, 2005, at Columbia, South Carolina.

I CONSENT:

Name: John M. Nett



Signature

Title: Bail Bond Product Manager
American Reliable Insurance Co.

Address:
8655 E. Via De Ventura
Scottsdale, AZ 85258

Dated this 29th day of Nov., 2005.